

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: ML-23609	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: UNIT #891008900A <i>Natural Buttes</i>	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE L.P.			9. WELL NAME and NUMBER: NBU 1022-7B-3T	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024		
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 967'FNL, 2042'FEL <i>629843 Y 39.768100</i> AT PROPOSED PRODUCING ZONE: <i>4425113 Y -109.479649</i>			10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 7 10S 22E			12. COUNTY: UINTAH	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 21.35 MILES SOUTHEAST OF OURAY, UTAH			13. STATE: UTAH	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 967'		16. NUMBER OF ACRES IN LEASE: 294.22		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40.00
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C		19. PROPOSED DEPTH: 9,090		20. BOND DESCRIPTION: RLB0005237
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5169'UNGRADED GL		22. APPROXIMATE DATE WORK WILL START:		23. ESTIMATED DURATION:

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,040	265 SX CLASS G	1.18 YIELD	15.6 PPG
7 7/8"	4 1/2	I-80	11.6#	9,090	1870 SX 50/50 POZ	1.31 YIELD	14.3 PPG

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST
SIGNATURE *Sheila Upchego* DATE 8/25/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-38571

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL: *[Signature]*

Date: 10-23-06
(See Instructions on Reverse Side)

By: *[Signature]*

RECEIVED
SEP 01 2006

DIV. OF OIL, GAS & MINING

(11/2001)

T10S, R22E, S.L.B.&M.

Kerr McGee Oil & Gas Onshore LP

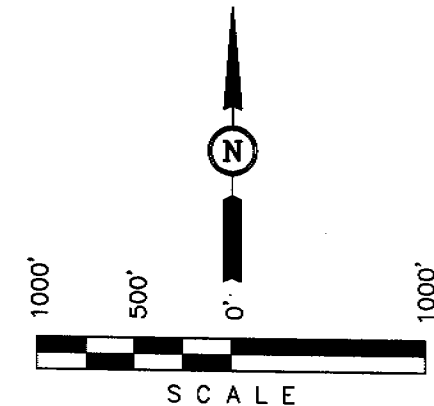
Well location, NBU #1022-7B-3T, located as shown in the NW 1/4 NE 1/4 of Section 7, T10S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

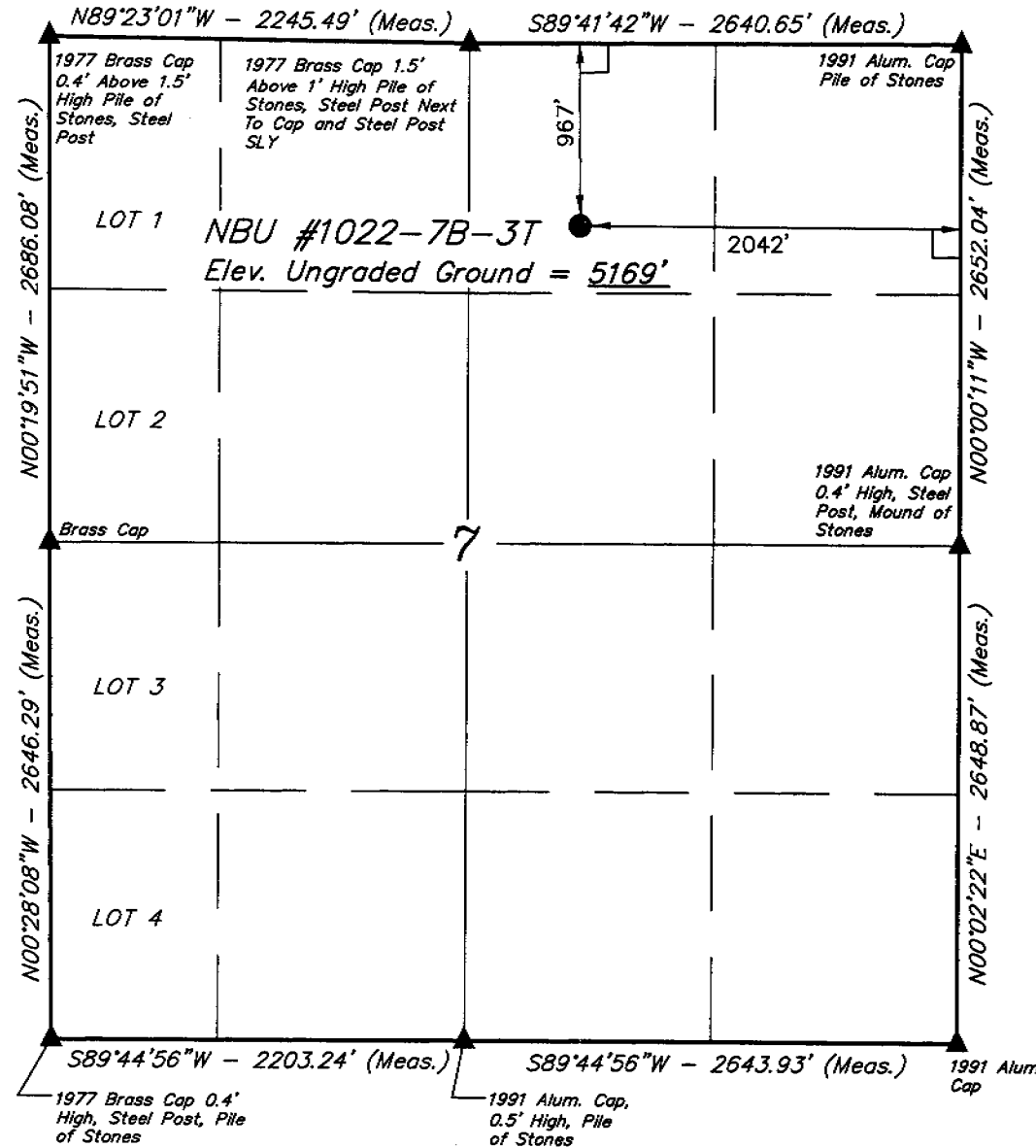
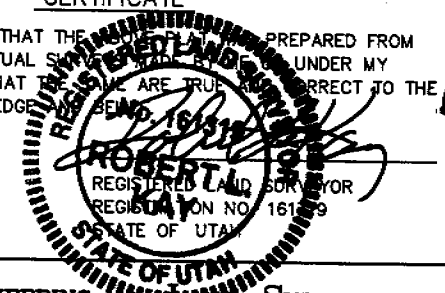
BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE PLAT PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE UNDER MY SUPERVISION AND THAT THE ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 39°58'04.96" (39.962269)
 LONGITUDE = 109°28'49.34" (109.480372)
 (NAD 27)
 LATITUDE = 39°58'05.08" (39.968078)
 LONGITUDE = 109°28'46.87" (109.479686)

UINTAH ENGINEERING AND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 05-01-06	DATE DRAWN: 05-03-06
PARTY J.R. L.M. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr McGee Oil & Gas Onshore LP	

NBU 1022-7B-3T
NWNE SEC 7-T10S-R22E
UINTAH COUNTY, UTAH
ML-23609

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1211'
Top of Birds Nest Water	1538'
Mahogany	2164'
Wasatch	4441'
Mesaverde	7025'
MVU2	7923'
MVL1	8524'
TD	9090'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	1211'
	Top of Birds Nest Water	1538'
	Mahogany	2164'
Gas	Wasatch	4441'
Gas	Mesaverde	7025'
Gas	MVU2	7923'
Gas	MVL1	8524'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program.

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9090' TD, approximately equals 5636 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3636 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP **DRILLING PROGRAM**

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE August 25, 2008
WELL NAME NBU 1022-7B-3T TD 9,090' MD/TVD
FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,167' GL KB 5,182'
SURFACE LOCATION SWNWNE SECTION 7, T10S, R22E 967'FNL, 2042'FEL BHL Straight Hole
Latitude: 39.962269 Longitude: 109.480372
OBJECTIVE ZONE(S) Wasatch/Mesaverde
ADDITIONAL INFO Regulatory Agencies: UDOGM, (SURF & MINERALS), BLM, Tri-County Health Dept.

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,441'					
	Green River @	1,211'			
	Top of Birds Nest Water @	1538'			
	Preset f/ GL @				
	2,040' MD				
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
	Mahogany (2,164'			
Mud logging program TBD					
Open hole logging program f/ TD - surf csg					
	Wasatch @	4,441'	7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-11.7 ppg
	Mverde @	7,025'			
	MVU2 @	7,923'			
	MVL1 @	8,524'			
	TD @	9,090'			Max anticipated Mud required 11.7 ppg



KERR-McGEE OIL & GAS ONSHORE LP **DRILLING PROGRAM**

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2040	32.30	H-40	STC	0.64*****	1.43	4.40
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9090	11.60	I-80	LTC	2.20	1.15	2.18

- 1) Max Anticipated Surf. Press (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft - partial evac gradient x TVD of next csg point))
2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft - partial evac gradient x TD)
(Burst Assumptions: TD = 11.7 ppg) 22 psi/ft = gradient for partially evac wellbore
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing * Buoy. Fact. of water)
MASP 3531 psi

***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps floccle	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps floccle	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	LEAD	1500	NOTE: If well will circulate water to surface, option 2 will be utilized Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Floccle + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps floccle	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,940'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	430	60%	11.00	3.38
	TAIL	5,150'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1440	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 6M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder &

tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper

& lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

DATE:

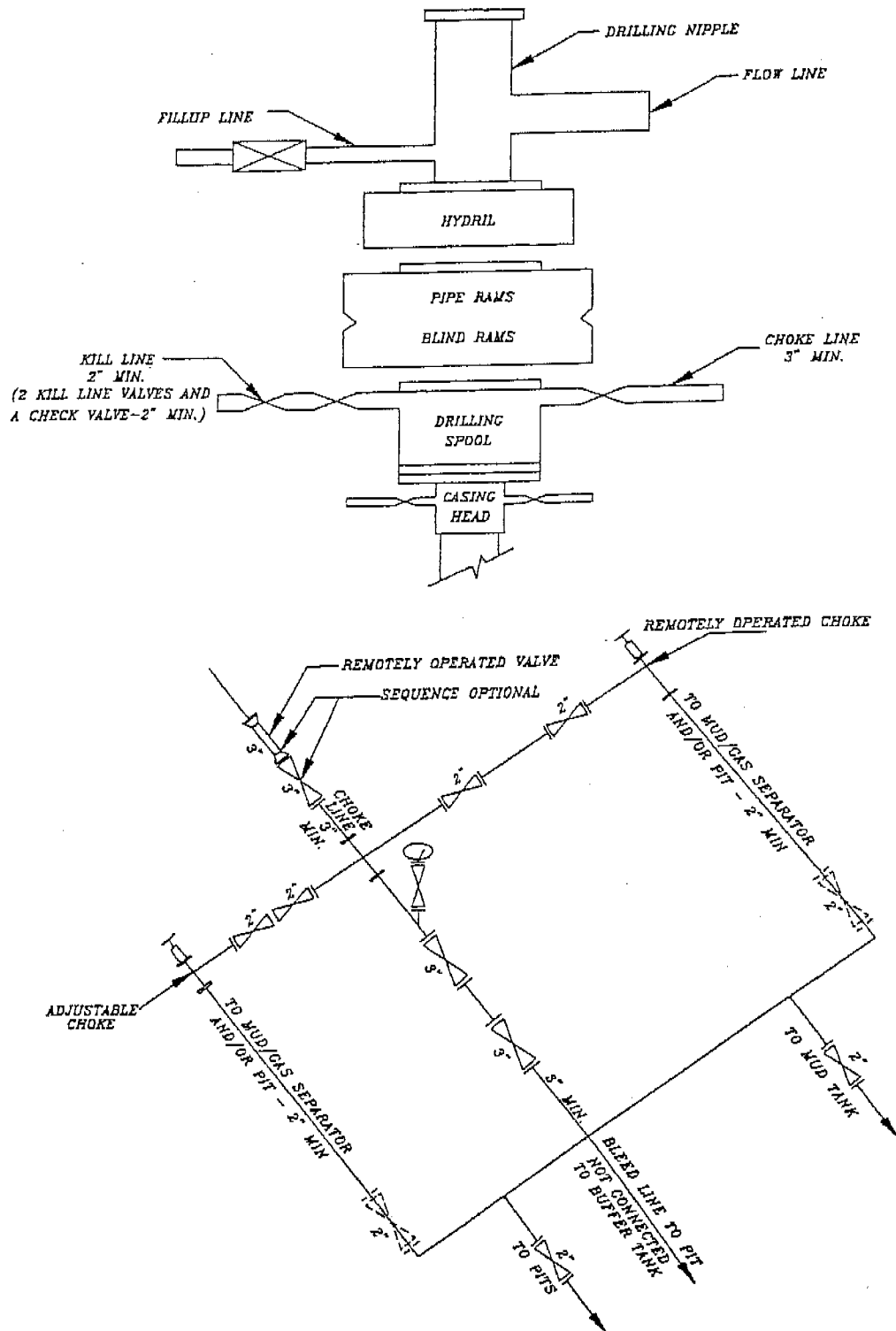
DRILLING SUPERINTENDENT:

Randy Bayne

DATE:

NBU1022-7B-3T APD.xls

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 1022-7B-3T
NWNE SEC 7-T10S-R22E
Uintah County, UT
ML-23609

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 150' +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and

removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey will be submitted when report becomes available.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Sheila Upchego
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East.
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

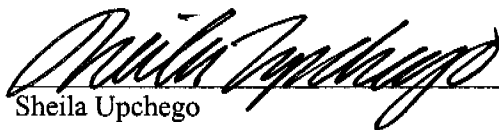
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Sheila Upchego

8/25/2006
Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-7B-3T
SECTION 7, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 5.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 150' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 53.35 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7B-3T

LOCATED IN UINTAH COUNTY, UTAH

SECTION 7, T10S, R22E, S.L.B.&M.

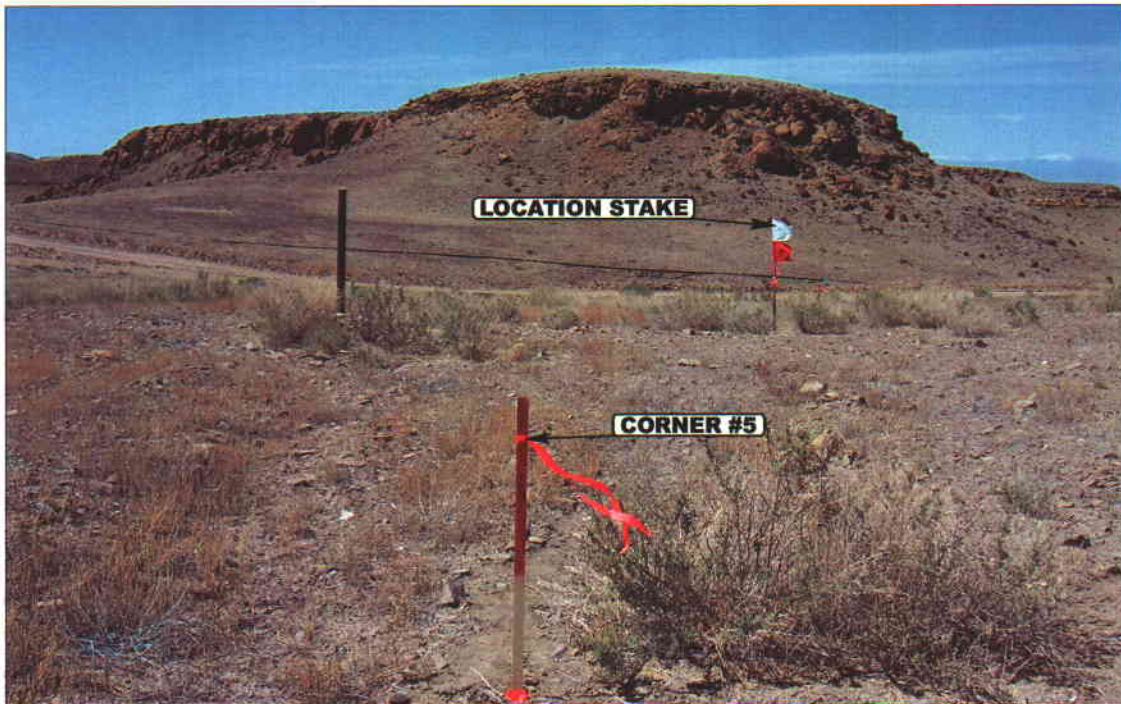


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

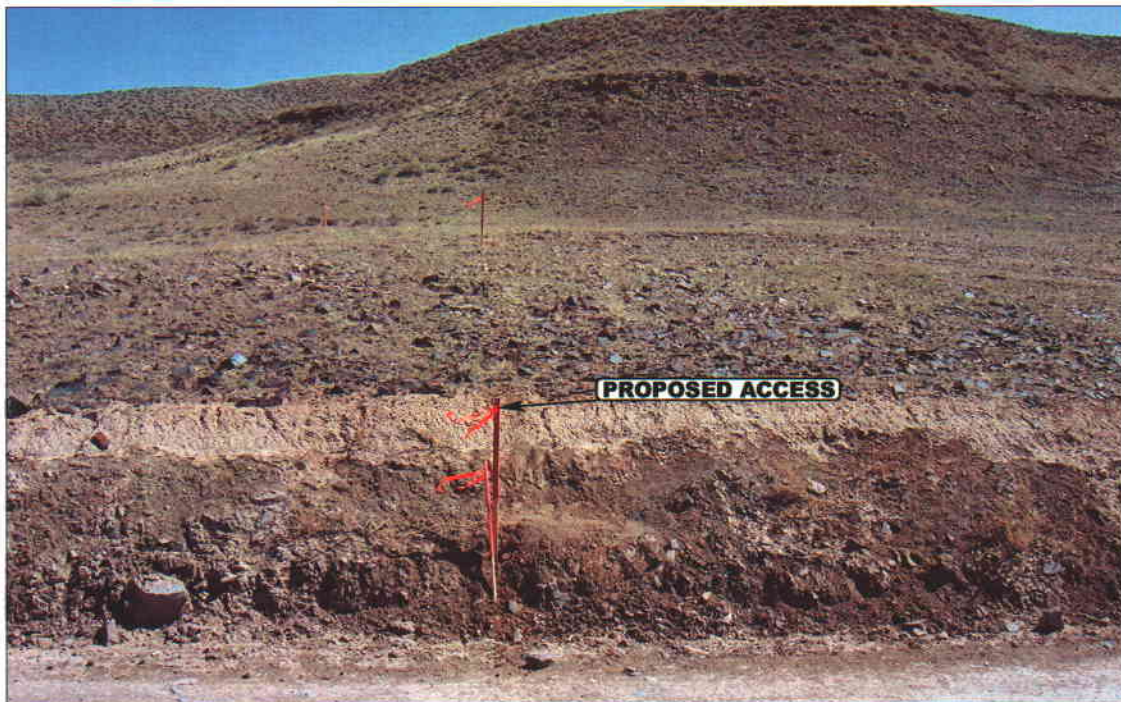


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

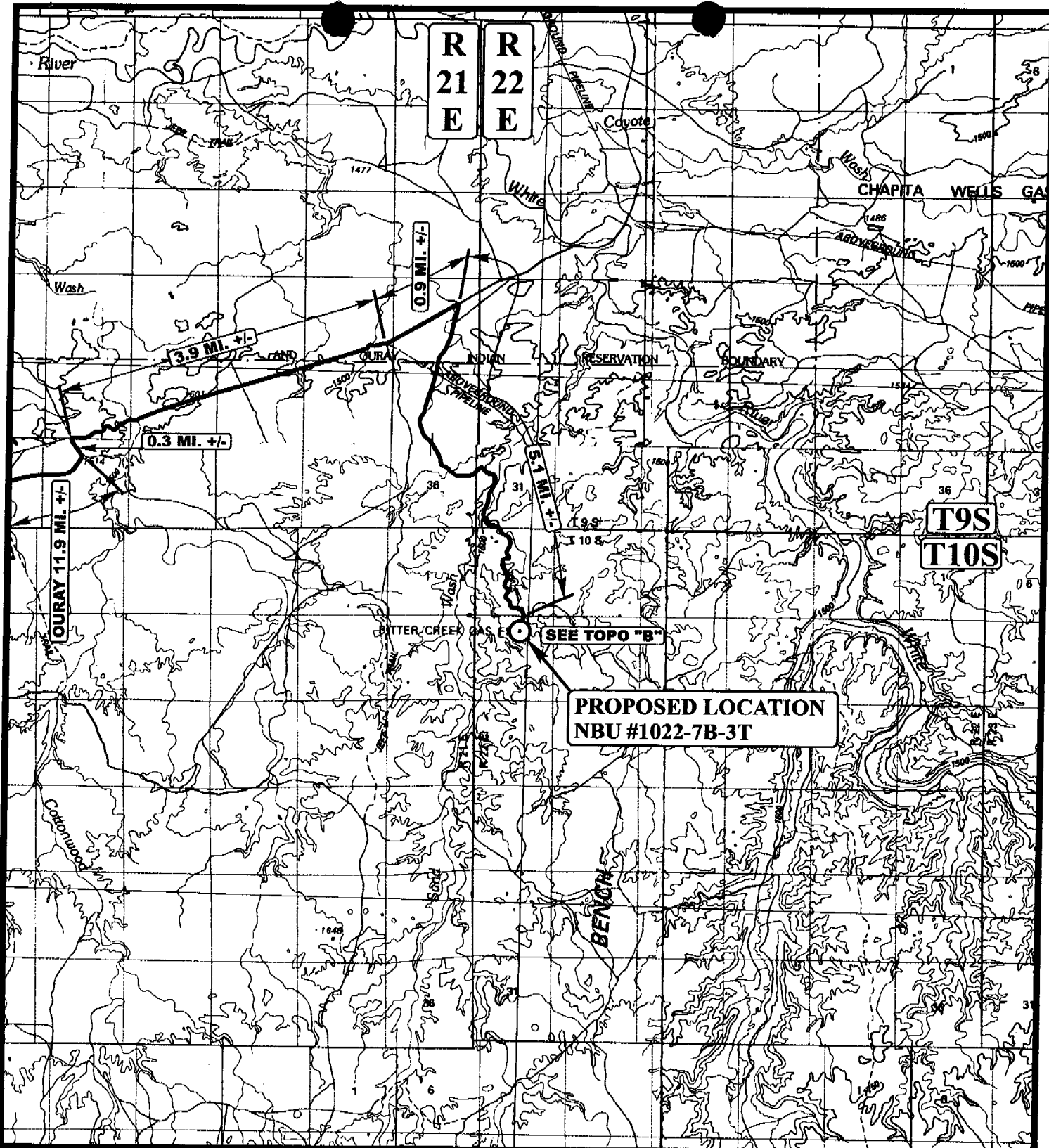
05 **10** **06**
MONTH DAY YEAR

PHOTO

TAKEN BY: J.R.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7B-3T

SECTION 7, T10S, R22E, S.L.B.&M.

967' FNL 2042' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

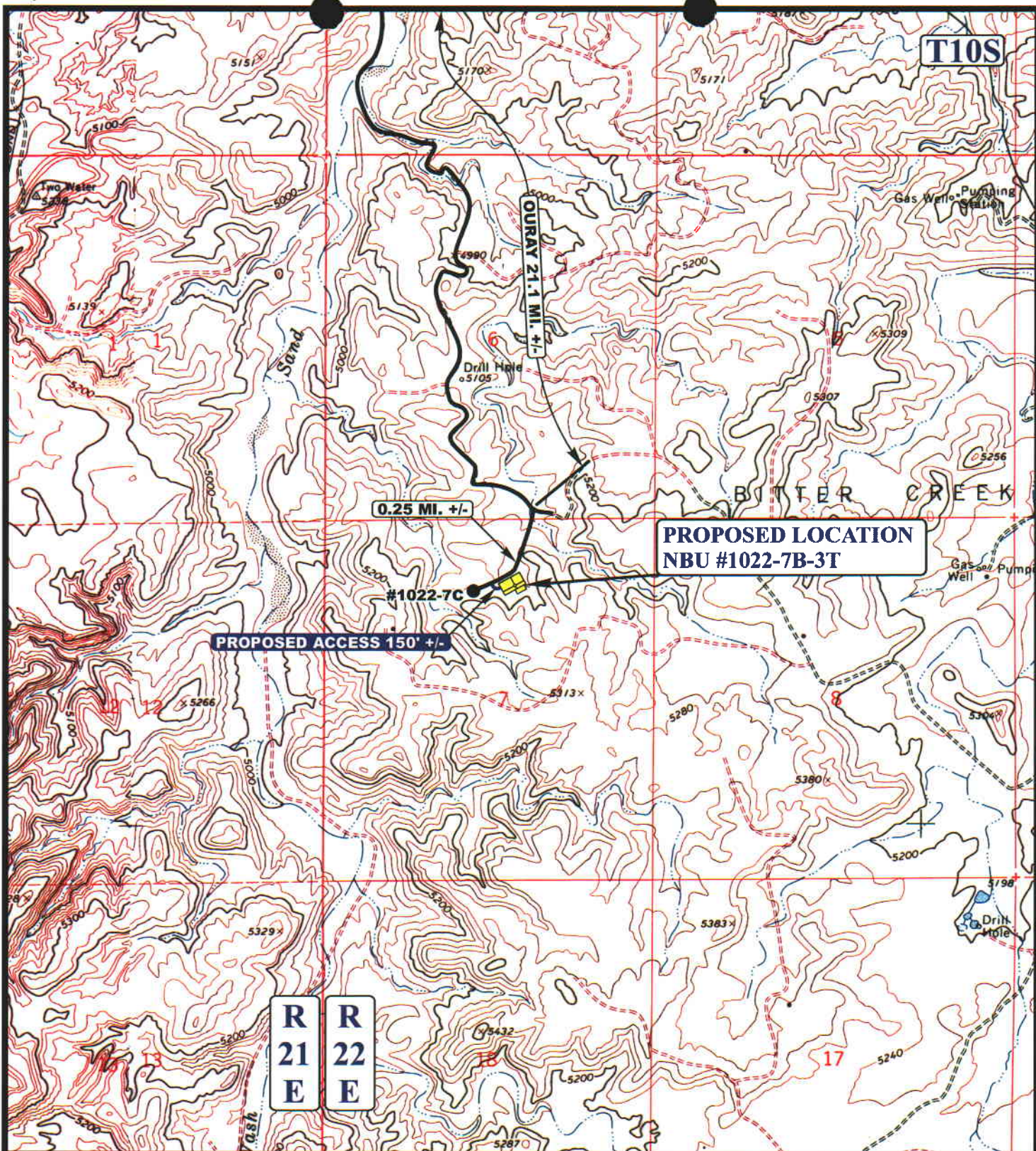
05 **10** **06**
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00





LEGEND:

EXISTING ROAD
 PROPOSED ACCESS ROAD

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7B-3T
SECTION 7, T10S, R22E, S.L.B.&M.
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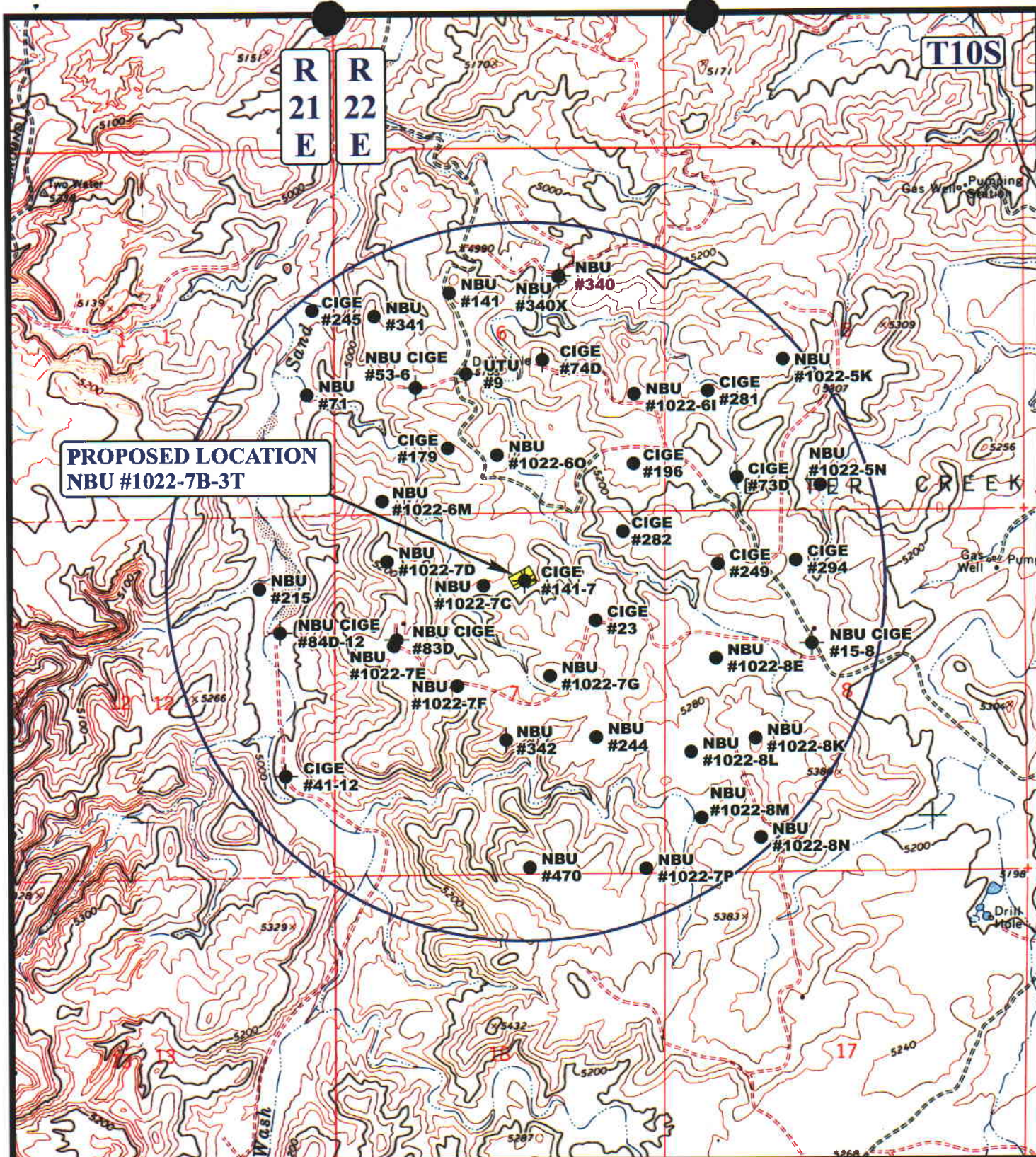


TOPOGRAPHIC
MAP

05 **10** **06**
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
TOPO



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7B-3T
SECTION 7, T10S, R22E, S.L.B.&M.
967' FNL 2042' FEL



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TOPOGRAPHIC
MAP

05 10 06
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00



FIGURE #1

NBU #1022-7B-3T
SECTION 7, T10S, R22E, S.L.B.&M.
967' FNL 2042' FEL'

F-1.9'
El. 65.3'

C-4.2
El. 71.4'

CONSTRUCT
DIVERSION
DITCH

Approx. 1
Top of ~~cut~~
Cut Slope

El. 71.5

Blooië Line

PIPE RACKS

C-1.4
FL 68.6'

TOILET ☐

F-11.3'
FL 55.9'

*Total Pit Capacity
W/2' of Freeboard
= 15,490 Bbls. ±
Total Pit Volume
= 4,280 Cu. Yds.*

C-5.4
El. 72.6'

C-4.1
El. 71.3'

C-3.5'
EL 70.7'

Approx.
Toe of
Fill Slope

$F-11.6'$
 $FL\ 55.6'$

Elev. Ungraded Ground At Loc. Stake = 5168.6'
FINISHED GRADE ELEV. AT LOC. STAKE = 5167.2'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Kerr-McGee Oil & Gas Onshore LP

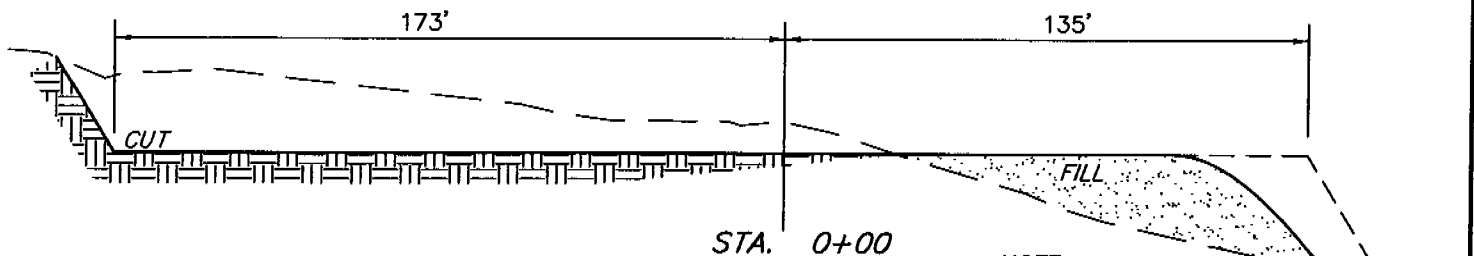
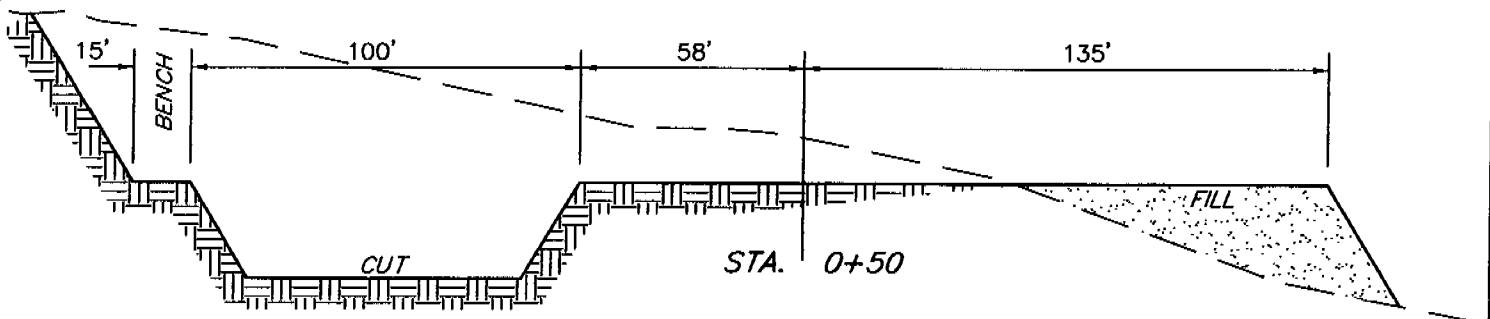
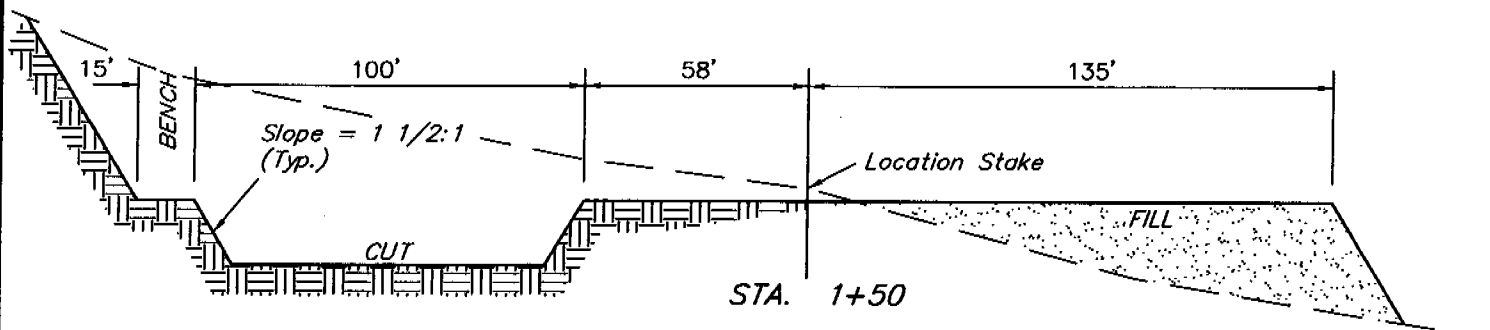
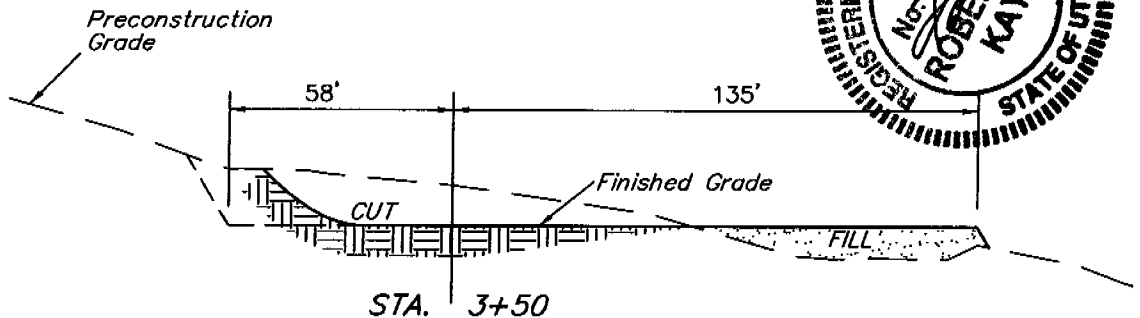
FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #1022-7B-3T
SECTION 7, T10S, R22E, S.L.B.&M.
967' FNL 2042' FEL'

1" = 20'
X-Section
Scale
1" = 50'

DATE: 05-04-06
Drawn By: S.L.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 2,040 Cu. Yds.
Remaining Location	= 16,880 Cu. Yds.
TOTAL CUT	= 18,920 CU.YDS.
FILL	= 10,340 CU.YDS.

EXCESS MATERIAL	= 8,580 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,180 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 4,400 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/01/2006

API NO. ASSIGNED: 43-047-38571

WELL NAME: NBU 1022-7B-3T

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

NWNE 07 100S 220E

SURFACE: 0967 FNL 2042 FEL

BOTTOM: 0967 FNL 2042 FEL

COUNTY: Uintah

LATITUDE: 39.96810 LONGITUDE: -109.4797

UTM SURF EASTINGS: 629843 NORTHINGS: 4425113

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DRED	10/20/06
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-23609

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0005236)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: NATURAL BUTTES
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-19
Siting: 460' R 460' W 460' S 460' E
___ R649-3-11. Directional Drill

COMMENTS: NLUIS Opert. (10-03-06)

STIPULATIONS: 1- STATEMENT OF BASIS

2- OIL SHALE

3- Surf Csg Contst. P

Application for Permit to Drill

Statement of Basis

10/5/2006

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
112	43-047-38571-00-00		GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, LP	Surface Owner-APD			
Well Name	NBU 1022-7B-3T	Unit			
Field	UNDESIGNATED	Type of Work			
Location	NWNE 7 10S 22E S 0 F L 0 F L	GPS Coord (UTM) 629843E 4425113N			

Geologic Statement of Basis

Kerr McGee proposes to set 2,040' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,800'. A search of Division of Water Rights records shows 1 water well within a 10,000 foot radius of the proposed location. This well is more than a mile from the proposed location. Use is listed as stock/wildlife watering. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The production casing cement should be brought up above the base of the moderately saline ground water in order to isolate it from fresher waters up hole.

Brad Hill
APD Evaluator

10/5/2006
Date / Time

Surface Statement of Basis

The proposed well is on a old P/A location of CIGE 141 which was reclaimed a few years ago. Both the surface and minerals are owned by SITLA.

General area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 24 miles southeast of Ouray, Utah. Access is by State of Utah Highway, Uintah County and oilfield development roads.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 1 1/2 miles. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

Ben Williams of the UDWR was invited to and attended the presite. He stated the general area is classified as critical yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. Also, no other wildlife are expected to be affected. He provided Jim Davis of SITLA and Carrol Estes of Kerr-Mcgee a copy of his wildlife evaluation and a seed mix recommended by DWR to be used in reseeding the location.

Floyd Bartlett
Onsite Evaluator

10/3/2006
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, LP
Well Name NBU 1022-7B-3T
API Number 43-047-38571-0 **APD No** 112 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NWNE **Sec** 7 **Tw** 10S **Rng** 22E 0 FL 0 FL
GPS Coord (UTM) **Surface Owner**

Participants

Floyd Bartlett (DOGM), Carol Estes, B J Braithwaite, Tony Kazeck and Clay Einerson (Kerr McGee), David Kay (Uintah Engineering & Land Survey), Jim Davis (SITLA), Ben Williams (UDWR)

Regional/Local Setting & Topography

The proposed well is on a old P/A location of CIGE 141 which was reclaimed a few years ago. Both the surface and minerals are owned by SITLA.

General area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 24 miles southeast of Ouray, Utah. Access is by State of Utah Highway, Uintah County and oilfield development roads.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 2 1/2 miles. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

Surface Use Plan

Current Surface Use

Existing Well Pad
Wildlfe Habitat
Recreational

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.01	Width 263 Length 350		UNTA

Ancillary Facilities N

Waste Management Plan Adequate? N

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Halogeton, atriplex canesence, annual mustard. Seeded atriplex is growing on the reclaimed site.

Antelope, small mammals and birds.

Soil Type and Characteristics

Rocky sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y Paleo Potential Observed? N Cultural Survey Run? Y Cultural Resources?

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	<300	20
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
Final Score		35 1 Sensitivity Level

Characteristics / Requirements

150' x 70' x 10' deep located on the north east side of the location in an area of cut. The operator has a standard practice of lining all pits with a 20 mil. liner and 2 layers of felt underlayment.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? Y

Other Observations / Comments

Ben Williams of the UDWR was invited to and attended the presite. He stated the general area is classified as critical yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. Also, no other wildlife are expected to be affected. He provided Jim Davis of SITLA and Carrol Estes of Kerr-Mcgee a copy of his wildlife evaluation and a seed mix recommended by DWR to be used in reseeding the location.

Floyd Bartlett
Evaluator

10/3/2006
Date / Time

Casing Schematic

BHP
 $(0.052)(9090)(11.7) = 5530 \text{ psi}$
 anticipate 5636

Gas
 $(0.12)(9090) = 1091$
 $5530 - 1091 = 4439 \text{ psi}$
 MASP
 9-5/8" MW 8.4 Frac 19.3

BOPE = 5M ✓

Burst 2270
 70% - 1589

Max @ csg. shoe
 $9090 - 2040 = 7050$
 $7050(0.22) = 1551$
 $5530 - 1551 = 3979 \text{ psi}$

Test to 1589 psi ✓
 Propose 1500 psi O.K.

⇒ Slip surf. cnt ✓

✓ Adequate prod 10/20/06

4-1/2" MW 11.7

Surface

TOC @ 0.

TOC @ 681

1211' Green River

1538' Birds Nest
 1705' TOC tail

2164' Surface 2040. MD

Mahogany

< 2000 psi Max press allowed on surf. csg while drilling prod. hole

3079 TOC tail

4441' Wasatch

7025' Mesa Verde

7923' MV U2

8524' MV L1

Production 9090. MD

Well name:	2006-10 Kerr McGee NBU 1022-7B-3T	
Operator:	Kerr McGee Oil & Gas Onshore L.P.	
String type:	Surface	Project ID: 43-047-38571
Location:	Uintah County, Utah	

Design parameters:
Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 104 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 681 ft

Burst

Max anticipated surface pressure: 1,795 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,040 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,788 ft

Non-directional string.
Re subsequent strings:

Next setting depth: 9,090 ft
Next mud weight: 11.700 ppg
Next setting BHP: 5,525 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,040 ft
Injection pressure: 2,040 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2040	9.625	32.30	H-40	ST&C	2040	2040	8.876	901.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	890	1370	1.539 ✓	2040	2270	1.11 ✓	58	254	4.40 J ✓

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: October 11, 2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2040 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

2006-10 Kerr McGee NBU 1022-7B-3TOperator: **Kerr McGee Oil & Gas Onshore L.P.**String type: **Production**

Project ID:

43-047-38571Location: **Uintah County, Utah****Design parameters:****Collapse**Mud weight: 11.700 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 202 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

BurstMax anticipated surface
pressure: 3,525 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,525 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)**Non-directional string.**Tension is based on buoyed weight.
Neutral point: 7,500 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft ³)
1	9090	4.5	11.60	I-80	LT&C	9090	9090	3.875	793.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5525	6360	1.151 ✓	5525	7780	1.41 ✓	87	212	2.44 J ✓

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: October 11, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 9090 ft, a mud weight of 11.7 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

September 19, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2006 Plan of Development Natural Buttes Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch/MesaVerde)

43-047-38560 NBU 922-31P-1 Sec 31 T09S R22E 1007 FSL 0107 FEL
43-047-38561 NBU 922-31A-4T Sec 31 T09S R22E 0852 FNL 0301 FEL
43-047-38567 NBU 922-32N-1T Sec 32 T09S R22E 1200 FSL 2329 FWL
43-047-38569 NBU 922-32H-3T Sec 32 T09S R22E 2302 FNL 0891 FEL
43-047-38570 NBU 1022-7H-4 Sec 07 T10S R22E 2488 FNL 0227 FEL
43-047-38571 NBU 1022-7B-3T Sec 07 T10S R22E 0967 FNL 2042 FEL
43-047-38562 NBU 1022-10C-1 Sec 10 T10S R22E 0104 FNL 2193 FWL

The following wells are twins of existing Wasatch wells

43-047-38564 NBU 922-31P-3T Sec 31 T09S R22E 0491 FSL 0971 FEL
43-047-38565 NBU 922-31K-2T Sec 31 T09S R22E 2589 FSL 1435 FWL
43-047-38566 NBU 922-31J-1T Sec 31 T09S R22E 2383 FSL 1826 FEL
43-047-38568 NBU 922-32L-4T Sec 32 T09S R22E 1954 FSL 1286 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

From: Ed Bonner
To: Whitney, Diana
Date: 10/3/2006 1:43:10 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Dominion E&P, Inc

Kings Canyon 2-32E (API 43 047 38261)
Kings Canyon 9-32E (API 43 047 38262)
Kings Canyon 11-32E (API 43 047 38378)
LCU 3-36F (API 43 047 37986)
LCU 6-36F (API 43 047 37999)
LCU 8-36F (API 43 047 37988)
LCU 10-36F (API 43 047 37987)
LCU 13-36F (API 43 047 37989)
LCU 15-36F (API 43 047 38260) 1 significant site which must be avoided
LCU 11-36F (API 43 047 38026)

Fellows Energy, LLC

Gordon Creek State 4-7-14-8 (API 43 007 31230)
Gordon Creek State 1-7-14-8 (API 43 007 31231)
Gordon Creek State 3-7-14-8 (API 43 007 31232)
Gordon Creek State 3-20-14-8 (API 43 007 31233)
Gordon Creek State 2-29-14-8 (API 43 007 31234) 1 significant site in access/pipeline corridor which must be avoided
Gordon Creek State 1-30-14-8 (API 43 007 31235) 1 significant site in access/pipeline corridor which must be avoided

Gasco Production Company

State 4-32A (API 43 047 38533)

Kerr McGee Oil & Gas Onshore LP

NBU 922-32L-4T (API 43 047 38568)
NBU 922-31A-4T (API 43 047 38561)
NBU 922-31J-1T (API 43 047 38566)
NBU 922-31K-2T (API 43 047 38565)
NBU 922-31P-3T (API 43 047 38564)
NBU 922-31P-1 (API 43 047 38560)
NBU 1022-7B-3T (API 43 047 38571)
NBU 1022-10C-1 (API 43 047 38562)

If you have any questions regarding this matter please give me a call.

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 23, 2006

Kerr-McGee Oil & Gas Onshore LP
1368 S 1200 E
Vernal, UT 84078

Re: Natural Buttes Unit 1022-7B-3T Well, 967' FNL, 2042' FEL, NW NE, Sec. 7,
T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38571.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal District Office

Operator: Kerr-McGee Oil & Gas Onshore LP
Well Name & Number Natural Buttes Unit 1022-7B-3T
API Number: 43-047-38571
Lease: ML-23609

Location: NW NE Sec. 7 T. 10 South R. 22 East

Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

Page 2
43-047-38571
October 23, 2006

6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
7. Surface casing shall be cemented to the surface.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHORE, LP

Well Name: NBU 1022-7B-3T

Api No: 43-047-38571 Lease Type: STATE

Section 07 Township 10S Range 22E County UINTAH

Drilling Contractor PETE MARTIN RIG # BUCKET

SPUDDED:

Date 02/05/07

Time NOON

How DRY

Drilling will Commence: _____

Reported by LOU WELDON

Telephone # (435) 828-7035

Date 02/06/2007 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736742	BONANZA 1023-7H		SENE	7	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>A</u>	99999	<u>15921</u>	2/2/2007		<u>2/13/07</u>		
Comments: MIRU ROCKY MTN BUCKET RIG. <u>WSTMVD</u> SPUD WELL LOCATION ON 02/02/2007 AT 1600 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738571	NBU 1022-7B-3T		NWNE	7	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	2/5/2007		<u>2/13/07</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSTMVD</u> SPUD WELL LOCATION ON 02/05/2007 AT 1200 HRS							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

(5/2000)

To <u>BARBARA RUSSELL</u>	From <u>SHEILA UPCHEGO</u>
Co./Dept. <u>UDOGM</u>	Co. <u>KMG</u>
Phone # <u>(801) 538-5330</u>	Phone <u>(435) 781-7024</u>
Fax # <u>(801) 259-3440</u>	Fax # <u>(435) 781-7094</u>

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

2/7/2007

Title

Date

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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-23609

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
UNIT #891008900A

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

8. WELL NAME and NUMBER:
NBU 1022-7B-3T

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

9. API NUMBER:
4304738571

3. ADDRESS OF OPERATOR:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 967'FNL, 2042'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 7 10S 22E

STATE:
UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WELL SPUD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 02/05/2007 AT 1200 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE

DATE 2/7/2007

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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.


1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23609
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 967'FNL, 2042'FEL		8. WELL NAME and NUMBER: NBU 1022-7B-3T
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 7 10S 22E		9. API NUMBER: 4304738571
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SET SURFACE CSG.
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU BILL MARTIN AIR RIG ON 02/07/2007. DRILLED 12 1/4" SURFACE HOLE TO 2166'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/275 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT. TAILED CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD DOWN BACKSIDE. TOP OUT W/225 SX PREM CLASS G @15.8 PPG 1.15 YIELD DOWN BACKSIDE CMT TO SURFACE HOLE STAYED FULL.

WORT

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE 	DATE 2/12/2007

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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 967'FNL, 2042'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 7 10S 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2166' TO 8880' ON 03/05/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/335 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/1166 SX 50/50 POZ @14.3 PPG 1.31 YIELD. SET SLIPS N/D BOP CLEAN PITS CUT OFF CSG.

RELEASED ENSIGN RIG 12 ON 03/07/2007 AT 7:00 AM.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE

DATE 3/9/2007

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MAR 14 2007
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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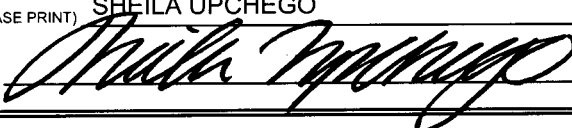
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23609
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 967'FNL, 2042'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 7 10S 22E		8. WELL NAME and NUMBER: NBU 1022-7B-3T
PHONE NUMBER: (435) 781-7024		9. API NUMBER: 4304738571
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
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	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>PRODUCTION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>START-UP</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 03/31/2007 AT 10:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>SENIOR LAND ADMIN SPECIALIST</u>
SIGNATURE 	DATE <u>4/4/2007</u>

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APR 09 2007

DIV. OF OIL, GAS & MINING



Anadarko Petroleum Corporation
1368 S. 1200 East
Vernal, UT 84078

CHRONOLOGICAL WELL HISTORY

NBU 1022-7B-3T

NWNE, SEC. 7, T10S, R22E
UINTAH COUNTY, UT

DATE	Activity	Status
01/11/07	LOCATION STARTED	Ensign 12
02/04/07	LOCATION COMPLETE	Ensign 12 WOBR
02/05/07	SET CONDUCTOR	Ensign 12
02/07/07	SET AIR RIG 9 5/8" @2136'	Ensign 12 WORT
02/20/07	TD: 2166' Csg. 9 5/8"@ 2136' MW: 8.3 SD: 2/XX/07 DSS: 0 Move to NBU 1022-7B-3T. RURT.	
02/21/07	TD: 2730' Csg. 9 5/8"@ 2136' MW: 8.4 SD: 2/20/07 DSS: 1 NU and test BOPE. PU BHA and DP. Drill FE. Rotary spud @ 2130 hrs 2/20/07. Drill from 2166'-2730'. DA.	
02/22/07	TD: 3581' Csg. 9 5/8"@ 2136' MW: 8.4 SD: 2/20/07 DSS: 2 Drill and survey from 2730'-3581'. Repair hydraulic pump to draw works @ report time.	
02/23/07	TD: 4621' Csg. 9 5/8"@ 2136' MW: 8.7 SD: 2/20/07 DSS: 3 Repair rig. Drill and survey from 3581'-4621'. DA @ report time.	
02/26/07	TD: 6480' Csg. 9 5/8"@ 2136' MW: 9.6 SD: 2/20/07 DSS: 6 Drill f/ 4621'-5420'. TFNB. Drill to 6480'. DA @ report time.	
02/27/07	TD: 6920' Csg. 9 5/8"@ 2136' MW: 9.6 SD: 2/20/07 DSS: 7 Drill f/ 6480'-6720'. TFNB. Drill to 6920'. DA @ report time.	
02/28/07	TD: 7850' Csg. 9 5/8"@ 2136' MW: 9.8 SD: 2/20/07 DSS: 8 Drill from 6920'-7850'. DA @ report time.	
03/01/07	TD: 8587' Csg. 9 5/8"@ 2136' MW: 10.4 SD: 2/20/07 DSS: 9 Drill from 7850'-8536'. Circulate out gas through choke. Raise mud weight from 10.4 ppg to 11.0 ppg. Drill to 8587'. DA @ report time.	

03/02/07

TD: 8650' Csg. 9 5/8" @ 2136' MW: 11.4 SD: 2/20/07 DSS: 10
Drill from 8587'-8650'. CCH and raise mud weight to 11.4 ppg with 12% LCM. TFNB. TIH @ report time.

03/05/07

TD: 8880' Csg. 9 5/8" @ 2136' MW: 10.8 SD: 2/20/07 DSS: 13
Drill from 8650'-8880'. Lost full returns. Pump LCM sweeps. Pull 10 STDs and build volume with 25% LCM. Establish returns and build volume. TOOH and lay down motor and PDC bit. Stage in hole with Tricone bit. Circulate out gas through choke. Build volume @ report time.

03/06/07

TD: 8880' Csg. 9 5/8" @ 2136' MW: 10.8 SD: 2/20/07 DSS: 13
Build volume. Wash and ream from 7550'-8472'. Circulate out gas. TIH to 8880' TD. Spot 50 bbls 12.5 ppg mud on bottom. TOOH 20 STDs. R/U Weatherford and lay down drill string.

03/07/07

TD: 8880' Csg. 9 5/8" @ 2136' MW: 10.8 SD: 2/20/07 DSS: 14
Lay down drill string. Run and cement 4 1/2" Production Casing. Set slips and clean pits @ report time.

03/08/07

TD: 8880' Csg. 9 5/8" @ 2136' MW: 10.8 SD: 2/20/07 DSS: 15
Clean pits and release rig @ 0700 hrs 3/7/07. RDRT and prepare for rig move to NBU 922-310.

03/26/07

TEST & PERF

Days On Completion: 4

Remarks: 7:00 AM, (DAY#2) HELD JSA# POOH W/ TBG. PU 102 JTS 2 3/8" J-55 TBG EOT @ 7860'. POOH, ND BOPS AND EQUIP, NU FRAC VALVES. RU QUICK TEST. FILL HOLE W/ 10 BBL'S 2% KCL WTR. TEST 4 1/2" CSG AND FRAC VALVES TO 7500 (GOOD). RD TESTER AND RU CUTTERS. PU 3 3/8" PERF GUNS RIH AND PERF THE M.V @ 8709'- 8711', 4 SPF 90* PHASING, 8603' - 8608', 4 SPF 90* PHASING, 8557'-8559' 4 SPF 90* PHASING, 8497'-8500' 3 SPF 120* PHASING USING 3 3/8" EXP GUNS 23 GM, 0.36, (TOTAL 42 HLS.) POOH W/ WIER LINE. 3:00 PM, SWI SDFN. WELL READY TO FRAC ON 3/28/2007

WTR USED FOR THE DAY 10 BBL'S 2%. TOTAL WTR USED 10 BBL'S.

WTR RECOVERY 0 BBL'S.

03/27/07

STAND BY

Days On Completion: 5

Remarks: ON STAND BY.

03/28/07

FRAC

Days On Completion: 6

Remarks: MIRU WEATHERFORD FRACTURING TECH (WFT) & CUTTERS WIRELINE SERVICE (CWLS). HSM. PRES TEST SURFACE LINES TO 8500 PSI. ALL STAGES WILL USE NALCO DVE-005 SCALE INHIBITOR (3 GPT IN PAD THRU HALF OF THE 1ST RAMP OF SAND & 10 GPT IN FLUSH); PERF GUNS WILL BE 3-3/8" EXPENDABLE (23 GM CHG, 40" PENE, 0.36" HOLE, 3 OR 4 SPF-120 OR 90 DEGREE PHASING RESPECTIVELY); 30/50 OTTAWA SAND; RESIN COATED SAND WILL BE THE LAST 5,000 LBS OF SAND; RECYCLED SLICK WATER FROM THE GOAT PASTURE PIT (GPP); CBPs ARE HALLIBURTON 8K 4.5". TOP KILL WILL BE BAKER EPOXY 4.5" 5K.

STAGE 1: OW: 1700 PSI, BRK: 3229 PSI, ISIP: 2575 PSI, FG: 0.75. ER: 50.5 BPM @ 4100 PSI. POC: 80% (36/45). FRAC STG W/SW. TOT SDN: 93,650 LBS, TOT FL: 2628 BBL. ISIP: 2859 PSI, FG: 0.77. MP: 6943 PSI, MR: 52.5 BPM, AP: 4659 PSI, AR: 50.6 BPM.

STAGE 2: PU CBP & PERF GUN. RIH, SET CBP @ 8447'. PU, PERF: 8411-17' & 8321-25'. 4 SPF EA, TOT OF 40 HOLES. POOH, LD WL TLS. MU WFT.OW: 650 PSI, BRK: 6388 PSI, ISIP: 3839 PSI, FG: 0.90. ER: 50.6 BPM @ 5400 PSI. POC: 100% (40/40). FRAC STG W/SW. TOT SDN: 48,700 LBS, TOT FL: 1333 BBL. MP: 6388 PSI, MR: 52.5 BPM, AP: 4659 PSI, AR: 50.6 BPM. MU CWLS.

STAGE 3: PU CBP & PERF GUN. RIH SET CBP @ 8021', PU, PERF: 7987-91', 7864-66', 7782-84', 7720-23' & 7662-63'. 4, 4, 3, 4 & 4 SPF EA RESPCETIVELY. TOT OF 46 HOLES. POOH, LD WL TLS. MU WFT.OW: 290 PSI, BRK: 5500 PSI, ISIP: 2161 PSI, FG: 0.71. ER: 51.1 BPM @ 3700 PSI. POC: 78% (36/46). FRAC STG W/SW. TOT SND: 50,555 LBS, TOT FL: 1373 BBL. ISIP: 2547 PSI, FG: 0.76. MP: 5943 PSI, MR: 62 BPM, AP: 4166 PSI, AR: 59.5 BPM. MU CWLS.

STAGE 4: PU CBP & PERF GUN. RIH, SET CBP @ 7570'. PU, PERF: 7549-51', 7326-28', 7192-96' & 7114-18'. 4, 3, 4 & 4 SPF EA RESPECTIVELY, TOT OF 46 HOLES. POOH, LD WL TLS. MU WFT.OW: 450 PSI, BRK: 4907 PSI, ISIP: 1753 PSI, FG: 0.68. ER: 66 BPM @ 4700 PSI. POC: 63% (29/46). FRAC STG W/SW. TOT SND: 145,925 LBS, TOT FL: 3690 BBL. ISIP: 2367 PSI, FG: 0.76. MP: 6630 PSI MR: 66.5 BPM, AP: 4331 PSI, 65.6 BPM. MU CWLS.

STAGE 5: PU CBP & PERF GUN. RIH SET CBP @ 6430', PU, PERF: 6403-06', 6333-35', 6190-94' & 6105-05'. 4 SPF EA, TOT OF 44 HOLES. POOH, LD WL TLS. MU WFT.OW: 350 PSI, BRK: 2699 PSI, ISIP: 1974 PSI, FG: 0.75. ER: 51.5 BPM @ 3900 PSI, POC: 66% (29/44). FRAC STG W/SW. TOT SND: 19,837 LBS, TOT FL: 598 BBL. ISIP: 1977 PSI, FG: 0.75. MP: 4656 PSI, MR: 55.6 BPM, AP: 3407 PSI, AR: 51.3 BPM.

STAGE 6: PU CBP & PERF GUN. RIH, SET CBP @ 6053'. PU, PERF: 6006-08', 5948-52', 5862-67' & 5830-32'. 4, 3, 3 & 4 SPF EA RESPECTIVELY, TOT OF 43 HOLES. MU WFT.OW: 850 PSI, BRK: 3021 PSI, ISIP: 1289 PSI, FG: 0.65. ER: 50.5 BPM @ 3800 PSI. POC: 65% (28/43). FRAC STG W/SW. TOT SND: 25,835 LBS, TOT FL: 771 BBL. ISIP: 1566 PSI, FG: 0.70. MP: 4374 PSI, MR: 54.4 BPM, AP: 3337 PSI, AR: 50.6 BPM. PU NEW BAKER EPOXY KILL PLUG, RIH, SET PLUG @ 5800'. POOH, LD LW TLS. RDMO CWLS & WFT. SWI, SDFN.

03/29/07

DRILL OUT PLUGS

Days On Completion: 7

Remarks: ND FRAC VLVs, NU BOP. PU 3-7/8" ROCK BIT & TBG, RIH W/BIT, SUB & TBG. TAG KILL PLUG @ 5800'. X-OVER EQUIP FROM TBG TO PWR SWVL. RU PMP TO SWVL. EST CIRC. D/O PLUG AS FOLLOWS:

CBP #	FILL DPTH	CBP DPTH	D/O TIME	PSI INCR
1	5800'	5800'	10 MIN	100
2	6015'	6038'	20	200
3	6410'	6430'	25	300
4	7560'	7570'	25	500
5	8000'	8021'	30	500
6	8440'	8447'	25	500

CONT TO C/O WELL TO PBTD. CIRC HOLE CLN. POOH & LD 100 JTS TBG ON FLT. PU HNDR, LND TBG W/EOT @ 5670.59'. ND BOP, NU WH, DROP BALL. MU FL TO PIT, MU PMP TO TBG. PMP OF BIT & SUB, OPEN WELL TO PIT. TURN WELL OVER TO FBC (BRUCE & MIKE).

FLOW BACK REPORT: CP: 2675#, TP: 1750#, 30 BWPH, 20/64 CHK, TTL BBLS FLWD: 390 TODAYS LTR: 7863 BBLS, TTL LOAD RECD TO DATE: 390 BBLS

03/30/07

FLOW BACK REPORT: CP: 2525#, TP: 1725#, 43 BWPH, 20/64 CHK, TTL BBLS FLWD: 1032 TODAYS LTR: 6831 BBLS, TTL LOAD RECD TO DATE: 1422 BBLS

03/31/07

FLOW BACK REPORT: CP: 2350#, TP: 1700#, 35 BWPH, 20/64 CHK, TTL BBLS FLWD: 988
TODAYS LTR: 5843 BBLS, TTL LOAD RECD TO DATE: 2410 BBLS
ON SALES: 949 MCF, 0 BC, 585 BW, TP: 1650#, CP: 2350#, 20/64 CHK, 15 HRS, LP: 124#.

04/01/07

FLOW BACK REPORT: CP: 2200#, TP: 1700#, 30 BWPH, 20/64 CHK, TTL BBLS FLWD: 840
TODAYS LTR: 5003 BBLS, TTL LOAD RECD TO DATE: 3250 BBLS

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	DRY <input type="checkbox"/>	OTHER <input type="checkbox"/>		
b. TYPE OF WORK:		NEW WELL <input checked="" type="checkbox"/>	HORIZ. LATS. <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	RE-ENTRY <input type="checkbox"/>	DIFF. RESVR. <input type="checkbox"/>	OTHER <input type="checkbox"/>
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP						7. UNIT or CA AGREEMENT NAME UNIT #891008900A	
3. ADDRESS OF OPERATOR: 1368 S 1200 E VERNAL UT 84078						8. WELL NAME and NUMBER: NBU 1022-7B-3T	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 967'FNL, 2042'FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:						9. API NUMBER: 4304738571	
10 FIELD AND POOL, OR WILDCAT NATURAL BUTTES						11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 7 10S 22E	
12. COUNTY UINTAH						13. STATE UTAH	

14. DATE SPURRED: 2/9/2007	15. DATE T.D. REACHED: 3/5/2007	16. DATE COMPLETED: 3/31/2007	ABANDONED <input type="checkbox"/>	READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 5169'GL
18. TOTAL DEPTH: MD 8,880 TVD	19. PLUG BACK T.D.: MD 8,871 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD PLUG SET: TVD	
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) CBL-CCL-GR				23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 H-40	32.3#		2,166		600			
7 7/8"	4 1/2 I-80	11.6#		8,880		1501			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	5,670							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) WASATCH	5,830	6,406			5,830 6,406	0.36	87	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) MESAVERDE	7,114	8,711			7,114 8,711	0.36	183	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5830'-6406'	PMP 1369 BBLS SLICK H2O & 45,672# 30/50 SD
7114'-8711'	PMP 9024 BBLS SLICK H2O & 338,830# 30/50 SD

29. ENCLOSED ATTACHMENTS:

- | | | | |
|---|--|-------------------------------------|---|
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS | <input type="checkbox"/> GEOLOGIC REPORT | <input type="checkbox"/> DST REPORT | <input type="checkbox"/> DIRECTIONAL SURVEY |
| <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION | <input type="checkbox"/> CORE ANALYSIS | <input type="checkbox"/> OTHER: | |

30. WELL STATUS:

PROD

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 3/31/2007		TEST DATE: 4/4/2007		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 0		GAS – MCF: 1,971		WATER – BBL: 480		PROD. METHOD: FLOWING							
CHOKE SIZE: 20/64		TBG. PRESS. 1,350		CSG. PRESS. 1,900		API GRAVITY		BTU – GAS		GAS/OIL RATIO		24 HR PRODUCTION RATES: →		OIL – BBL: 0		GAS – MCF: 1,971		WATER – BBL: 480		INTERVAL STATUS: PROD	

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED: 3/31/2007		TEST DATE: 4/4/2007		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 0		GAS – MCF: 1,971		WATER – BBL: 480		PROD. METHOD: FLOWING							
CHOKE SIZE: 20/64		TBG. PRESS. 1,350		CSG. PRESS. 1,900		API GRAVITY		BTU – GAS		GAS/OIL RATIO		24 HR PRODUCTION RATES: →		OIL – BBL: 0		GAS – MCF: 1,971		WATER – BBL: 480		INTERVAL STATUS: PROD	

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	4,463 7,065	7,065			

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE

DATE 5/1/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23609
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-7B-3T
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0967 FNL 2042 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 07 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047385710000
PHONE NUMBER: 720 929-6100		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/18/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="text-align: center;"> THE NBU 1022-7B-3T WELL WAS RETURNED TO PRODUCTION ON 5/25/2014. THANK YOU. </div> <div style="text-align: right; margin-top: 20px;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 13, 2014 </div>		
NAME (PLEASE PRINT) Kay E. Kelly	PHONE NUMBER 720 929 6582	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 7/18/2014	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23609
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2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-7B-3T
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0967 FNL 2042 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 07 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047385710000
PHONE NUMBER: 720 929-6507		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/10/2015	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER	
	<input type="checkbox"/> CASING REPAIR	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> APD EXTENSION	
	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> THE NBU 1022-7B-3T WELL WAS RETURNED TO PRODUCTION ON 11/10/2015. THANK YOU. </div> <div style="width: 35%; text-align: center;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY November 16, 2015 </div> </div>		
NAME (PLEASE PRINT) Jennifer Thomas	PHONE NUMBER 720 929-6808	TITLE Regulatory Specialist
SIGNATURE N/A	DATE 11/12/2015	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23609
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PHONE NUMBER: 720 929-6507		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/19/2016	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
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	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER	
	<input type="checkbox"/> CASING REPAIR	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> APD EXTENSION	
	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The NBU 1022-7B-3T well was returned to production on 3/19/2016. Thank you.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY March 28, 2016		
NAME (PLEASE PRINT) Jennifer Thomas	PHONE NUMBER 720 929-6808	TITLE Regulatory Specialist
SIGNATURE N/A	DATE 3/24/2016	